GOVERNMENT OF INDIA
COAL
LOK SABHA

UNSTARRED QUESTION NO:4651
ANSWERED ON:09.05.2007
EXPLOITATION OF COAL RESERVES
Barman Shri Ranen

Will the Minister of COAL be pleased to state:

(a) whether only easy open cast mines are being operated in many of the coal fields leaving the deep seated reserves of coal unexploited;

(b) if so, the details thereof and the reasons therefor;

(c) whether the State Governments loose royalty due to unexploitation of such reserves;

(d) if so, the details thereof;

(e) whether the coal producing companies do not pay royalty to the State Governments on the coal stocks which are found to be short; and

(f) if so, the provision of law under which such royalty is not being paid?

Answer

MINISTER OF STATE IN THE MINISTRY OF COAL (DR. DASARI NARAYANA RAO)

(a) & (b): More number of opencast mines are being planned / opened at present because the nature of the deposit allows large volume of coal production from these mines with low gestation period and better economics of operation. However, Coal India Limited also operates a number of underground mines in various coalfields, some of which in Eastern Coalfields Limited and Bharat Coking Coalfields Limited are more than 400 M deep. Decision of selecting opencast and underground mining method depends on assessment of overall economy of the project and not on depth of coal reserves only.

(c): No, Sir.

(d): Does not arise in view of reply at (c) above.

(e) & (f): Yes, Sir. Coal companies are not paying royalty to the State Governments on the coal stock found short, if any. <><><><><>